
**Rural Development, Agriculture, &
Natural Resources Committee**

2SSB 5873

Brief Description: Establishing a community forests pilot project.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Hawkins and Van De Wege).

Brief Summary of Second Substitute Bill

- Creates a community forest pilot program, administered by the Recreation and Conservation Funding Board, to determine the feasibility of establishing an ongoing competitive grant program.

Hearing Date: 3/27/19

Staff: Rebecca Lewis (786-7339).

Background:

Community Forest Trust.

The Department of Natural Resources (DNR) manages the Community Forest Trust (CFT), created in 2011. The CFT is a discrete category of nonfiduciary trust lands held by the DNR and actively managed to generate financial support for the CFT and to sustain working forest conservation objectives. The DNR may acquire parcels for the CFT through purchase, gift, donation, grant, transfer, or other means except eminent domain. If state trust lands are transferred into the CFT, then the value of that transfer must be provided to the beneficiaries of the trust. Designated in 2013, the Teanaway Community Forest was the first community forest in Washington.

Prior to acquiring land for a CFT, the DNR must obtain a commitment from the local community to preserve the land as a working forest. This community commitment must be demonstrated by

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

a reimbursable financial contribution of at least 50 percent of the difference between the parcel's fair market value and its timber value. Each parcel added to the CFT must be accompanied by a management plan developed in cooperation with a local advisory committee. The DNR must submit a prioritized list of parcels suitable for transfer into the CFT by November 1 of each even-numbered year.

Community Forest Program Development.

In the 2017-19 Supplemental Capital Budget, the Legislature directed the DNR to consult with nonprofit stakeholders, counties, municipalities, tribes, and small and large private forest landowners, to develop a nonstate-owned community forest project list and a process to prioritize and recommend projects to the Legislature. The list was due November 1, 2018, and the DNR was directed to further prioritize a list of community forest projects to submit to the Legislature as required under the CFT.

The project list was required to include projects solicited from both Eastern and Western Washington that have demonstrable community support. An appropriation was provided for the DNR to perform an economic and ownership modeling analysis using at least one project proposed through the DNR's Rural Communities Partnership Initiative as a case study.

Summary of Bill:

Subject to funds appropriated, the Recreation and Conservation Funding Board (Board) must create and administer a pilot program to fund the highest scoring nonstate-owned community forest projects from the prioritized list developed by the Department of Natural Resources (DNR) as required by the 2018 Supplemental Capital Budget.

All lands acquired under the pilot must be a voluntary transaction, and sponsors must provide at least a 15 percent match. Property or property interests acquired may not be converted to a use other than the use for which funds were originally approved, including subdividing or selling, without prior approval from the Board.

The pilot program must be managed consistent with the following community forest principles:

- a community forest is owned and managed by or on behalf of a local community;
- the governance structure of a community forest ensures collaboration and community participation in management decisions and the allocation of revenue generated from the forest;
- the community has secure and reliable access to the values and benefits of the forest;
- the forest is managed in accordance with a community forest management plan, which is a tract-specific plan developed with community involvement to guide the management and use of a community forest; and
- the conservation values of the forest ecosystem are protected and incorporated into a community forest management plan.

It is assumed that community forests serve the public interest, and a deed of right must convey to the people of Washington the rights to preserve, protect, and use the property for public purposes consistent with the pilot program. If lands cease to be used for a community forest, such lands are to be transferred to DNR.

The Board must report to the Legislature every two years for the duration of the pilot program on the outcomes of the program. At a minimum, the report must contain certain information related to economic public benefits provided, revenue generated, and forest management, as well as recommendations for developing an ongoing competitive community forest grant program. The first report is due October 31, 2020, and the program expires June 30, 2025.

Appropriation: None.

Fiscal Note: Available. New fiscal note requested on March 6, 2019.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.